

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7031

BILL NUMBER: HB 1616

NOTE PREPARED: Jan 10, 2009

BILL AMENDED:

SUBJECT: Motorized Bicycles.

FIRST AUTHOR: Rep. Smith M

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill:

- (1) requires a motorized bicycle that is operated on a highway to be titled and registered with the Bureau of Motor Vehicles (BMV) with a registration fee equal to that of a motorcycle;
- (2) requires that certain funds received from the registration of a motorized bicycle be deposited in the Motorcycle Operator Safety Education Fund;
- (3) requires the operator of a motorized bicycle on a highway to have an identification card or driver's license in the operator's immediate possession when operating the motorized bicycle;
- (4) requires a dealer of at least 12 motorized bicycles a year to register as a dealer with the Secretary of State;
- (5) prohibits the operation of a motorized bicycle without financial responsibility in effect on the motorized bicycle;
- (6) requires certain individuals to file accident reports after an accident involving a motorized bicycle;
- (7) repeals the term "motor scooter";
- (8) makes conforming changes;
- (9) makes technical corrections; and
- (10) deletes outdated language.

Effective Date: Upon passage; July 1, 2009.

Explanation of State Expenditures: (1) Requiring registration and a certificate of title for motor scooters or motorized bicycles may increase associated expenditures for the BMV. The BMV does not register or title these items currently. However, any expenditure is likely to be minimal. In CY 2007, the BMV registered approximately 6.3 million vehicles and issued about 2.0 million titles. The fund affected is the Motor Vehicle Highway Account (MVHA), which supports the BMV. The number of motorized bicycles in Indiana is not

known. The fund affected is the Motor Vehicle Highway Account, which supports the BMV.

Explanation of State Revenues: (2) Requiring certain funds received from the registration of a motorized bicycle to be deposited in the Motorcycle Operator Safety Education Fund will increase revenue to the Fund. The impact will depend upon the number of motorized bicycles registered annually. The annual registration fee for motorcycles is \$26.05, which includes a \$0.30 fee which is deposited into the Spinal Cord and Brain Injury Fund. The table below shows the distribution of the \$26.05, along with the uses of the funds.

Extending the current \$26.05 annual registration fee to motor scooters and motorized bicycles will generate additional annual revenue estimated at \$76,613. The basic motorcycle registration fee is \$17, with additional charges. The following table shows the distribution of the motorcycle registration fee, along with the estimated revenue based on 2,941 motor scooters.

Distribution of Annual Registration Fee	Fee	Est'd Revenue
Motor Vehicle Highway Account (MVHA)	\$8.75	\$25,733.75
Public Safety Fee	\$0.25	\$735.25
Motorcycle Operation/Education Fund	\$7.00	\$20,587.00
Crossroads 2000 Fund	\$3.00	\$8,823.00
BMV Technology Fund	\$0.50	\$1,470.50
Anti-Terrorism	\$1.25	\$3,676.25
Bureau of Motor Vehicles Commission (BMVC)	\$5.00	\$14,705.00
Spinal Cord Brain Injury Fund	\$0.30	882.00
TOTAL	\$26.05	\$76,612.75

(3) Requiring the possession of an operator's license or an identification card may increase the issuance of these licenses and permits and increase fee revenue. The funds affected are the MVHA, the State Police Building Fund, the Motorcycle Operation/Education Fund, the Crossroads 2000 Fund, the BMV Technology Fund, the Anti-Terrorism Fund, and the Bureau of Motor Vehicles Commission (supported by the state License Branch Fund).

(4) Requiring a dealer of at least 12 motorized bicycles per year to register as a dealer with the Secretary of State will mean additional revenue. The funds affected are the Dealer Compliance Account and the MVHA.

Background Information: The R. L. Polk Co., compiler and publisher of various motor vehicle data, show there were 2,941 motor scooters in Indiana as of July 1, 2006. In CY 2007, the BMV registered approximately 6.3 million vehicles, along with about 2.0 million title transactions.

The MVHA may be used for road construction, reconstruction, and maintenance for cities, towns, and counties. The MVHA also supports entirely the operation of the BMV, a significant part of the operation of the Department of Transportation, about 61% of the operation of the State Police, and part of the operation of the state Department of Revenue.

The Public Safety fee supports the State Police Building Fund, which is used for construction, maintenance, and equipping of and/or leasing of State Police facilities.

The Motorcycle Operator Safety Education Fund supports motorcycle education.

The Crossroads 2000 Fund supports highway bonding.

The BMV Technology Fund supports technology for the BMV.

The anti-terrorism fee supports the Integrated Public Safety Commission (IPSC). The IPSC operates Project Hoosier Safe-T (Safety Acting for Everyone-Together, an initiative of the IPSC). The Commission works with local, state, and federal public safety agencies to implement a statewide, interoperable, digital, 800 MHz trunked voice and mobile data communications network for public safety officials. SAFE-T will provide 95% statewide mobile coverage through a baseline design of 126 communication sites. SAFE-T seeks to replace inadequate, obsolete, and incompatible communications systems and allow coordination and response to routine, emergency and catastrophic events. Public safety agencies independently choose whether or not to participate in SAFE-T.

The Bureau of Motor Vehicles Commission is supported by the state License Branch Fund.

The Spinal Cord and Brain Injury Fund supports research for spinal cord and brain injuries.

The Dealer Compliance Account is used by the Secretary of State to monitor dealers.

Explanation of Local Expenditures:

Explanation of Local Revenues: Funds from the MVHA are distributed to cities, towns, and counties.

State Agencies Affected: BMV; Secretary of State; State Police; Department of Transportation; state Department of Revenue.

Local Agencies Affected: Recipients of MVHA distributions; various public safety agencies.

Information Sources:

Fiscal Analyst: James Sperlik, 317-232-9866.